

Lieutenant Governor

Office of the Governor

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Andeavor to advance Utah's air quality with a project to produce cleaner fuels

Governor Herbert and others celebrate at project groundbreaking

SALT LAKE CITY (April 3, 2018) — Governor Gary R. Herbert today joined Andeavor Chairman, President and CEO Gregory Goff and multiple stakeholder groups at Andeavor's Salt Lake City Refinery to break ground on the company's hydrotreater expansion project, marking continued progress in improving Utah's air quality through the production of cleaner 'Tier 3' fuels.

Tier 3 fuels reduce the sulfur content of fuels, enabling a car's catalytic converter to run better and reduces volatile organic compounds (VOCs) and nitrogen oxides (NOx) emissions on all vehicles. On vehicles with newer emissions reduction equipment, the emissions reduction in is even greater, up to 81 percent.

"This is a big win for our air quality," said Gov. Herbert. "We're proud to see Utah's largest refinery partner with my Office of Energy Development to invest in game-changing cleaner fuels that represents a lasting investment and commitment to Utah's air quality."

Vehicles account for roughly half of the emissions that contribute to air quality challenges along the Wasatch Front. Following newly-issued standards from the United States Environmental Protection Agency (EPA) surrounding Tier 3 Gasoline, companies that produce fuel must now produce gasoline with sulfur content less than 10 parts per million on an annual average basis. The existing hydrotreater at Andeavor's Salt Lake Refinery is being expanded to remove the all the sulfur to make the gasoline Andeavor produces complaint with the new EPA standard.

"Investing in this project to produce a cleaner product that our customers and our employees can be proud of is simply the right thing to do for Andeavor and for the State," said Goff.



"This project, when complete – along with our recent Wet Gas Scrubber project – will enable our refinery to reduce emissions and help reduce vehicle emissions."

Gov. Herbert through his Office of Energy Development has been committed to accelerating refinery investment in cleaner Tier 3 fuels by providing a significant non-refundable, post-performance tax incentive.

"We're pleased with this project," said Laura Nelson, the Governor's energy advisor. "We're honored to deliver on the Governor's vision in partnership with industry to realize proactive outcomes for our energy economy and the environment."

An <u>analysis conducted by the Environmental Protection Agency</u> found that several counties in Utah are among those that benefit most in the nation from Tier 3 in reducing 24-hour particulate pollution.

"Andeavor's leadership in producing Tier 3 fuels is great news for Utah's air quality because it targets emissions from automobiles, the largest source of wintertime pollution," said Alan Matheson, executive director of the Utah Department of Environmental Quality. "Every vehicle that uses Tier 3 fuel will immediately be cleaner."

In the last five years, Andeavor has invested \$300 million on upgrades to reduce and control emissions, including a recent 2017 project to install a wet gas scrubber which reduces the emissions of sulfur dioxide and nitrogen oxides by 95 and 60 percent.

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## **Editor's Notes:**

A video overview of the Andeavor Salt Lake City Tier 3 project is available here: Link